

Exhibit I

BALLARD
PETROLEUM HOLDINGS LLC

RECEIVED

JUL 10 2023

Foster Garvey PC

Mike Jackson Murphy Oil Company 9805 Katy Freeway Suite G-200 Houston, Texas 77024 Leonard H. Smith Crowley Fleck 500 Transwestern Plaza II 490 North 31st Street P. O. Box 2529 Billings, MT 59103-2529	John Ray Nelson Rylan Weythman Foster Garvey, P.C. 618 W. Riverside, Ste. 300 Spokane, WA 99201
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Re: Murphy Oil Co. v. Ballard Petroleum Holdings, LLC

Dear Sirs:

Please be advised that Ballard Petroleum Holdings, LLC (“BPH”) hereby accepts the defense of claims made against Murphy Entities in the *Zimmerman* litigation effective May 1, 2023, under reservation of rights, as follows.

BPH will pay reasonable defense fees and costs for Murphy’s defense of the Zimmerman Plaintiffs’ claims to the extent those fees are not reimbursed by insurers and/or within the Murphy Entities coverage provided by Travelers (USF&G) or other insurers. Ballard has contemporaneously submitted for judicial review whether it has an obligation to pay defense fees covered by Murphy’s insurer and will abide by the Court’s decision on that issue.

In order to facilitate the orderly processing of claimed fees and costs, Murphy shall submit claimed amounts to BPH on a monthly basis. The materials should be submitted electronically to David Ballard, DBallard@ballardpetroleum.com. Claimed amounts for May-July 2023 should be submitted on or before August 10, 2023. Thereafter bills shall be submitted by the 10th day of the month following the month in

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which the work is done. Payments will be reviewed by BPH, and, as applicable Ballard's insurer, and processed within sixty (60) days of receiving the claim. At this time BPH authorizes an hourly rate of up to but not exceeding \$395.00 / hour for defense counsel depending on the timekeeper's relative qualifications and experience. Please advise of requested rate schedule, together with explanation of the requested rates, for review by BPH and, as applicable, its insurer.

As a condition to this acceptance of defense the Murphy Entities will cooperate with BPH in the defense of the *Zimmerman* Plaintiffs' claims as required by Montana law, e.g., Mont. Code. Ann. §33-18-2X1, including periodic status reports, litigation budgets, prompt disclosure of expert witnesses the Murphy Entities have retained for defense of the *Zimmerman* Plaintiffs' claims, and research/evaluation of defenses to the claims. Should the Murphy Entities believe particular items are privileged due to claimed adversity between BPH and Murphy, Murphy may reasonably redact those materials and provide a log generally identifying the redacted materials. Murphy's monthly submission of claimed fees/costs will be processed by Ballard and, as applicable, Ballard's insurer, but will not be provided to or reviewed by Ballard's defense counsel in the *Zimmerman* litigation.

BPH reserves the right to terminate the defense and seek recoupment of defense fees in the event it is determined BPH had no duty to defend the Murphy Entities, including but not limited to: (1) the arbitral order imposing defense duties on Ballard is reversed or modified in whole or in part; (2) any duty to defend is relieved by Murphy's failure to cooperate; (3) Murphy's defense fees/costs are subject to recovery by Murphy from third parties to the *Zimmerman* litigation. Ballard further reserves all rights under all contracts at issue, whether or not discussed in this letter. Nothing in this letter and no actions undertaken to investigate, defend and address this claim should be construed as a waiver of any rights available to Ballard. Ballard reserves the right to alter its position, should any of the facts change or pursuant to the issuance of any orders from the Court or Arbitration Panel. Ballard also reserves and preserves the right to assert any defense that may now be applicable or is later determined to be applicable upon further information provided. No act of any agent, servant, or employee of Ballard, including its attorneys, shall constitute a waiver or estoppel with respect to these rights.

Your prompt response is requested.

Sincerely,



Dave Ballard

cc: Brown Law Firm